

**Testimony of Tim Sowton, Business Leaders for Michigan
In Support of House Bill 5526**

Good morning, Mr. Chairman and Committee Members, and thank you for the opportunity to testify today in support of HB 5526.

Business Leaders for Michigan is the state's business roundtable, comprised of the chief executive officers of the state's largest employers. The organization's work is centered around developing and advocating policies to make Michigan a Top Ten state for jobs, personal income, and healthy economy.

There are many factors that go into making a state competitive for better jobs and higher incomes, and near if not at the top of the list is talent. In Michigan, we've always prided ourselves on our ability to develop talent right here at home. But a familiar refrain from employers in recent years is that talent in Michigan, whether it's skilled tradespeople or engineers, is in demand but hard to find. We need look no further than the recent decision by Amazon in which they identified talent, or a lack thereof, as a reason why Michigan didn't make the list of finalists for their second headquarters.

There are positive efforts underway to help address this talent gap, whether it's some of the Career Pathways initiatives or the ideas behind the Governor's forthcoming Marshall Plan. Over the long-term however, if we expect to remain competitive for attracting good-paying jobs, we must address the fundamental issue of declining K12 performance.

I don't think anyone in this room would argue what the facts are – our performance on key K12 indicators such as proficiency in reading and math have continued to fall over several years, placing Michigan in the bottom half of states.

Our own polling shows that a majority of voters in Michigan understand this, as they believe schools in Michigan overall must improve; however, most voters believe their own neighborhood schools are doing just fine. The truth is that our performance has slipped across the board, regardless of race, economic background, or where you live in the state.

HB 5526 will help give parents and policymakers a more accurate picture of how our schools are performing. With that solid foundation, we can then begin the process of identifying schools that are doing well, those that need help, and how to help them.

This is a very important point. The goal of grading schools in this way should be not to punish poor performance, but to promote progress.

While we do support the legislation, we feel one amendment would make it better – that is to include a summative grade as part of the system – that is one overall grade that shows how a school is performing.

Again, on behalf of Business Leaders for Michigan, I want to thank the committee for your careful consideration of this legislation and we encourage your support.